

Introduced by Senator Greene

February 27, 1997

An act to amend Section 3332 of, and to repeal Sections 3335 and 3336 of, the Food and Agricultural Code, and to amend Sections 11272, 12470, and 16310 of the Government Code, relating to the California Exposition and State Fair, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 972, as introduced, Greene. California Exposition and State Fair.

(1) Existing law provides for the California Exposition and State Fair as a separate entity in state government, governed by its board of directors. Existing law sets forth the powers of the Board of Directors of the California Exposition and State Fair, which includes the power to enter into contracts.

This bill would additionally authorize the board, with the approval of the Department of General Services, to purchase, acquire, hold, sell, exchange, or convey any interest in real or personal property, to make permanent improvements on publicly owned real property adjacent to, or in the vicinity of, real property owned by the California Exposition and State Fair, and to pledge revenues, moneys, accounts, and other rights.

(2) Existing law creates the California Exposition and State Fair Enterprise Fund in the State Treasury, and requires funds received by the California Exposition and State Fair to be deposited in the fund and remain in the fund until expended by the California Exposition and State Fair. Existing

law also permits the board to establish and maintain a bank checking account or a savings and loan association account for depositing funds appropriated pursuant to a specific provision to the California Exposition and State Fair

This bill would repeal the provision creating the California Exposition and State Fair Enterprise Fund in the State Treasury, and would permit the board to establish and maintain a bank checking account or a savings and loan association account for depositing all funds received by the California Exposition and State Fair. The bill would continuously appropriate all funds in the account to the board to carry out the functions for which the California Exposition and State Fair is formed. The bill would transfer all funds remaining in the California Exposition and State Fair Enterprise Fund on the effective date of the bill to the board for deposit in the bank checking or savings and loan account. This bill would also authorize the board to establish a program for paying vendors who contract with the California Exposition and State Fair.

(3) Existing provisions of the Food and Agricultural Code provide that whenever, pursuant to that code, any state department, officer, board, agency, committee, or commission is authorized to adopt rules and regulations, the regulations shall be adopted in accordance with those provisions of the Administrative Procedure Act that govern the adoption of regulations.

This bill would exempt the board from that requirement.

(4) Existing law requires the Controller to install and operate a uniform state payroll system for all state agencies.

This bill would exempt the California Exposition and State Fair from that provision, and would also authorize the board to operate a payroll system for paying employees, and a system for accounting for vacation and sick leave credits of employees.

(5) Existing law requires the Department of Finance to determine which funds, other than the General Fund, shall be charged a share of administrative costs for supervision or administration of the state government or for services to the various state agencies, and the amount to be charged against any such fund as its fair share of administrative costs.



This bill would require the Department of Finance, in determining the fair share of the California Exposition and State Fair, to take into account any reduction in the services provided to that agency as a consequence of the assumption of the various functions that agency is authorized to assume by this act, and to reduce the fair share of the California Exposition and State Fair accordingly.

(6) Existing law permits the Governor to order the Controller to direct the transfer of all or any part of the moneys not needed in other funds or accounts to the General Fund when the General Fund is, or will be, exhausted.

This bill would require interest to be paid on all moneys transferred to the General Fund from any funds retained by, or in the possession of, the California Exposition and State Fair.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 3332 of the Food and
2 Agricultural Code is amended to read:
3 3332. The board may do any of the following:
4 (a) Contract, *including entering into sponsorship*
5 *agreements for the receipt of money, or services or*
6 *products in lieu of money. A sponsorship agreement may*
7 *be entered into without complying with competitive*
8 *bidding requirements.*
9 (b) Accept funds or gifts of value from the United
10 States or any person to aid in carrying out the purposes
11 of this part.
12 (c) Conduct or contract for programs, either
13 independently or in cooperation with any individual,
14 public or private organization, or federal, state, or local
15 governmental agency.
16 (d) Establish and maintain a bank checking account or
17 a savings and loan association account, approved by the
18 Director of Finance in accordance with Sections 16506
19 and 16605 of the Government Code, for depositing funds
20 ~~appropriated to~~ *received by* the California Exposition

1 and State Fair pursuant to Section 19623 of the Business
2 and Professions Code. The Department of Finance shall
3 audit the account at the end of each fiscal year.

4 *Notwithstanding Section 13340 of the Government Code,*
5 *all funds maintained in an account authorized by this*
6 *subdivision are continuously appropriated to the board,*
7 *without regard to fiscal year, to carry out this part.*

8 *(e) Establish a program for paying vendors who*
9 *contract with the California Exposition and State Fair.*

10 ~~(e)~~

11 *(f) Make or adopt all necessary orders, rules, or*
12 *regulations for governing the activities of the California*
13 *Exposition and State Fair. Notwithstanding Section 14,*
14 *any orders, rules, or regulations adopted by the board are*
15 *exempt from Chapter 3.5 (commencing with Section*
16 *11340) of Part 1 of Division 3 of Title 2 of the Government*
17 *Code. For informational purposes only, however, any*
18 *order, rule, or regulation adopted by the board may be*
19 *transmitted to the Office of Administrative Law for filing*
20 *with the Secretary of State pursuant to Section 11343 of*
21 *the Government Code.*

22 ~~(f)~~

23 *(g) Delegate to the officers and employees of the*
24 *California Exposition and State Fair the authority to*
25 *appoint civil service personnel according to state civil*
26 *service procedures.*

27 *(h) Operate a payroll system for paying employees,*
28 *and a system for accounting for vacation and sick leave*
29 *credits of employees.*

30 ~~(g)~~

31 *(i) Delegate to the officers and employees of the*
32 *California Exposition and State Fair the exercise of*
33 *powers vested in the board as the board may deem*
34 *desirable for the orderly management and operation of*
35 *the California Exposition and State Fair.*

36 ~~(h)~~

37 *(j) Appoint all necessary marshals and police to keep*
38 *order and preserve peace at the California Exposition and*
39 *State Fair premises on a year-round basis who shall have*
40 *the powers of peace officers specified in Section 830.2 of*

1 the Penal Code. A peace officer of the Department of the
2 California Highway Patrol may be employed as a peace
3 officer while off duty from his or her regular
4 employment, subject to those conditions as may be set
5 forth by the Commissioner of the Department of the
6 California Highway Patrol. At least 75 percent of the
7 persons appointed pursuant to this subdivision shall
8 possess the basic certificate issued by the Commission on
9 Peace Officers Standards and Training. The remaining 25
10 percent may be appointed if the person has completed a
11 Peace Officer Standards and Training certified academy
12 or possesses a Level One Reserve Certificate (as defined
13 in Section 832.6 of the Penal Code).

14 ~~(j)~~

15 *(k) With the approval of the Department of General*
16 *Services, purchase, acquire, hold, sell, exchange, or*
17 *convey any interest in real or personal property, and*
18 *beautify or improve that property. Any acquisition of*
19 *land or other real property is subject to the approval of*
20 *the Department of General Services, and in the case of*
21 *the purchase of real property, is subject to the Property*
22 *Acquisition Law (Part 11 (commencing with Section*
23 *15850) of Division 3 of Title 2 of the Government Code).*

24 *(l) Make permanent improvements upon publicly*
25 *owned real property adjacent to, or near the vicinity of,*
26 *the real property of the California Exposition and State*
27 *Fair when the improvements materially benefit the*
28 *property of the California Exposition and State Fair.*

29 *(m) Lease, with the approval of the Department of*
30 *General Services, any of its property for any purpose for*
31 *any period of time.*

32 ~~(j)~~

33 *(n) Use or manage any of its property, with the*
34 *approval of the Department of General Services, jointly*
35 *or in connection with any lessee or sublessee, for any*
36 *purpose approved by the board.*

37 *(o) Pledge any and all revenues, moneys, accounts,*
38 *accounts receivable, contract rights, and other rights to*
39 *payment of whatever kind, pursuant to such terms and*
40 *conditions as are approved by the board. The revenues,*

1 moneys, accounts, accounts receivable, contract rights,
2 and other rights to payment of whatever kind pledged by
3 California Exposition and State Fair or its assignees
4 constitute a lien and security interest that immediately
5 attaches to the property so pledged and is effective,
6 binding, and enforceable against the California
7 Exposition and State Fair, its successors, purchasers of the
8 property so pledged, creditors, and all others asserting
9 rights therein, to the extent set forth, and in accordance
10 with, the terms and conditions of the pledge, irrespective
11 of whether those persons have notice of the pledge and
12 without the need for any physical delivery, recordation,
13 filing, or further act.

14 SEC. 2. Section 3335 of the Food and Agricultural
15 Code is repealed.

16 ~~3335. The California Exposition and State Fair~~
17 ~~Enterprise Fund is hereby created in the State Treasury.~~
18 ~~All funds received by the California Exposition and State~~
19 ~~Fair shall be deposited in the fund and remain in the fund~~
20 ~~until expended by the California Exposition and State~~
21 ~~Fair.~~

22 SEC. 3. Section 3336 of the Food and Agricultural
23 Code is repealed.

24 ~~3336. The Department of Finance shall clearly~~
25 ~~indicate in the annual budget narrative and display the~~
26 ~~amount of any funds from the California Exposition and~~
27 ~~State Fair which are transferred to the General Fund, and~~
28 ~~the amount of any General Fund money which is~~
29 ~~appropriated to the California Exposition and State Fair~~
30 ~~in excess of these funds, so that any General Fund subsidy~~
31 ~~or excess funds transferred to the General Fund are~~
32 ~~specifically identified.~~

33 SEC. 4. Section 11272 of the Government Code is
34 amended to read:

35 11272. In determining or redetermining the fair
36 share, the Department of Finance may consider the
37 factors of cost distribution and cost estimation as it deems
38 necessary, except that, as to the proceeds of those taxes,
39 the use of which is restricted by Article XIX of the
40 California Constitution, the Department of Finance shall



1 assess only those administrative costs ascertained as being
 2 necessarily incurred in connection with highway
 3 purposes as set forth in the article, ~~and except that, as.~~ As
 4 to funds collected pursuant to Section 221 of the Food and
 5 Agricultural Code, the Department of Finance shall
 6 assess only those administrative costs incurred in
 7 connection with the enforcement of the law under which
 8 the funds were derived. *In determining the share of costs*
 9 *to be borne by the California Exposition and State Fair,*
 10 *the Department of Finance shall take into account any*
 11 *reduction in the services provided to the California*
 12 *Exposition and State Fair as a consequence of the*
 13 *assumption of the various functions that the California*
 14 *Exposition and State Fair is authorized to assume by the*
 15 *act that amended this section during the 1997–98 Regular*
 16 *Legislative Session, and shall reduce the fair share of the*
 17 *California Exposition and State Fair accordingly.*

18 SEC. 5. Section 12470 of the Government Code is
 19 amended to read:

20 12470. In conformity with the accounting system
 21 prescribed by the Department of Finance pursuant to
 22 Section 13300, the Controller shall install and operate a
 23 uniform state payroll system for all state agencies; except
 24 *the California Exposition and State Fair and the*
 25 *University of California.* The Controller may provide for
 26 the orderly inclusion of state agencies into ~~such~~ *the*
 27 system, and may make exceptions from the operation
 28 thereof for such periods as he *or she* determines
 29 necessary.

30 SEC. 6. Section 16310 of the Government Code is
 31 amended to read:

32 16310. (a) When the General Fund in the Treasury
 33 is or will be exhausted, the Controller shall notify the
 34 Governor and the Pooled Money Investment Board. The
 35 Governor may order the Controller to direct the transfer
 36 of all or any part of the moneys not needed in other funds
 37 or accounts to the General Fund from those funds or
 38 accounts, as determined by the Pooled Money
 39 Investment Board, including the Surplus Money
 40 Investment Fund or the Pooled Money Investment

1 Account. All moneys so transferred shall be returned to
2 the funds or accounts from which they were transferred
3 as soon as there are sufficient moneys in the General
4 Fund to return them. No interest shall be charged or paid
5 on any transfer authorized by this section, exclusive of the
6 Pooled Money Investment Account, except as provided
7 herein. This section does not authorize any transfer that
8 will interfere with the object for which a special fund was
9 created ~~nor~~ or any transfer from the Central Valley Water
10 Project Construction Fund, the Central Valley Water
11 Project Revenue Fund, or the California Water Resources
12 Development Bond Fund.

13 (b) Interest shall be paid on all moneys transferred to
14 the General Fund from the Department of Food and
15 Agriculture Fund and ~~the Acala Cotton Fund~~ *from any*
16 *funds retained by or in the possession of the California*
17 *Exposition and State Fair* pursuant to this section. With
18 respect to all other funds, if the total moneys transferred
19 to the General Fund in any fiscal year from any special
20 fund pursuant to this section exceed an amount equal to
21 10 percent of the total additions to surplus available for
22 appropriation as shown in the statement of operations of
23 a prior fiscal year as set forth in the most recent published
24 annual report of the Controller, interest shall be paid on
25 the excess. Interest payable under this section shall be
26 computed at a rate determined by the Pooled Money
27 Investment Board to be the current earning rate of the
28 fund from which transferred.

29 SEC. 7. All funds remaining in the California
30 Exposition and State Fair Enterprise Fund on the
31 effective date of this act shall be transferred to the Board
32 of Directors of the California Exposition and State Fair for
33 deposit in an account maintained pursuant to subdivision
34 (e) of Section 3332 of the Food and Agricultural Code.

